

Debt Policy Discussion

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Objective

- Review District's current debt policy.
- Introduce potential modifications.

Highlights

- Amend existing debt service benchmark level from 20 percent up to a maximum of 30 percent of available ad-valorem and related revenues.
- Amend existing debt-per-capita benchmark level from \$250 to \$350.
- Add language to include interest rate hedging products which can reduce debt service payments and provide additional flexibility in structuring the proposed financing.
- Add language which will more clearly reflect the District's ability to access taxable as well as tax exempt credit markets.

Next Step

- Present final debt policy modifications to Audit & Finance Committee and full Governing board in September for approval.